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## **PLAQUEMINES PARISH CLERK OF COURT**

### **Financial Report**

**For the Year Ended June 30, 2009**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 12/9/09

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Dorothy M. Lundin  
Plaquemines Parish Clerk of Court  
Belle Chasse, Louisiana

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Plaquemines Parish Clerk of Court (hereinafter "Clerk of Court"), a component unit of the Plaquemines Parish Government, as of and for the year ended June 30, 2009, which collectively comprise the Clerk of Court's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Clerk of Court. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The Clerk of Court has not reconciled certain individual suit docket balances in the Advance Deposit Agency Fund with the related cash deposits at June 30, 2009. The unreconciled deposits represent 3.5 percent of the fiduciary fund type's assets and liabilities at June 30, 2009. Because the Clerk of Court has not reconciled these deposits, it was not practical for us to determine the amount of fees, if any, due to the Advance Deposit Agency Fund from litigants or the amount due to the General Fund from the Advance Deposit Agency Fund for fees earned resulting from suit activity at June 30, 2009. The effects of not reconciling these deposits on the financial statements cannot be reasonably determined.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the Clerk of Court reconciled the deposits accounted for in the Advance Deposit Agency Fund, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Plaquemines Parish Clerk of Court, as of June 30, 2009, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2009, on our consideration of the Clerk of Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.

The required budgetary comparison information on pages 27 and 28 is not a required part of the financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express any opinion on it.

The Clerk of Court has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clerk of Court's basic financial statements. The accompanying financial information listed as "Other Supplementary Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
November 13, 2009

## **BASIC FINANCIAL STATEMENTS**

## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Statement of Net Assets  
June 30, 2009

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets:	
Cash and interest-bearing deposits	\$ 1,921,553
Receivables:	
Accounts, net	1,824
Due from other governmental entities	29,491
Other	<u>1,650</u>
Total current assets	1,954,518
Noncurrent assets:	
Capital assets, net	<u>58,932</u>
Total assets	<u>2,013,450</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	6,017
Noncurrent liabilities:	
Compensated absences payable	<u>18,866</u>
Total liabilities	<u>24,883</u>
<b>NET ASSETS</b>	
Invested in capital assets	58,932
Unrestricted	<u>1,929,635</u>
Total net assets	<u>\$ 1,988,567</u>

*The accompanying notes are an integral part of the basic financial statements.*

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Statement of Activities  
For the Year Ended June 30, 2009

Activities	Expenses	Program Revenues Charges for Services	Net (Expense) Revenues and Changes in Net Assets	
			Governmental	Activities
Governmental activities:				
General government	<u>\$1,161,288</u>	<u>\$ 1,052,419</u>	\$	(108,869)
General revenues:				
Interest and investment earnings			<u>29,352</u>	
Change in net assets			(79,517)	
Net assets - July 1, 2008			<u>2,068,084</u>	
Net assets - June 30, 2009			<u>\$ 1,988,567</u>	

*The accompanying notes are an integral part of the basic financial statements.*



## **FUND FINANCIAL STATEMENTS**

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Balance Sheet  
Governmental Fund  
June 30, 2009

	<u>General Fund</u>
ASSETS	
Cash	\$ 274,089
Interest-bearing deposits	1,647,464
Receivable:	
Accounts, net	1,824
Due from other governmental entities	29,491
Other	<u>1,650</u>
Total assets	<u>\$ 1,954,518</u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts Payable	\$ 6,017
Other liabilities	<u>18,866</u>
Total liabilities	<u>24,883</u>
Fund balance:	
Unreserved, undesignated	<u>1,929,635</u>
Total fund balance	<u>1,929,635</u>
Total liabilities and fund balance	<u>\$ 1,954,518</u>

(continued)

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Balance Sheet (Continued)  
Governmental Fund  
June 30, 2009

Reconciliation of the Governmental Fund Balance Sheet to the  
Statement of Net Assets:

Total fund balance for the governmental fund at June 30, 2009		\$1,929,635
Cost of capital assets at June 30, 2009	\$ 211,859	
Less: Accumulated depreciation	<u>(152,927)</u>	<u>58,932</u>
Total net assets of governmental activities at June 30, 2009		<u>\$1,988,567</u>

*The accompanying notes are an integral part of the basic financial statements.*

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance  
Governmental Fund  
For the Year Ended June 30, 2009

	<u>General Fund</u>
Revenues:	
Licenses and permits	\$ 17,116
Fees, charges and commissions for services	987,089
Intergovernmental	20,012
Miscellaneous	<u>57,554</u>
Total revenues	<u>1,081,771</u>
Expenditures:	
Current -	
General government:	
Personnel services and related benefits	843,152
Operating services	177,265
Material and supplies	<u>114,952</u>
Total expenditures	<u>1,135,369</u>
Net change in fund balance	(53,598)
Fund balance, beginning	<u>1,983,233</u>
Fund balance, ending	<u>\$ 1,929,635</u>

(continued)

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance (Continued)  
Governmental Fund  
For the Year Ended June 30, 2009

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund  
Balance of Governmental Fund to the Statement of Activities:

Total net change in fund balances for the year ended June 30, 2009 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ (53,598)
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Less: Depreciation expense for year ended June 30, 2009	<u>(25,919)</u>
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Total change in net assets for the year ended June 30, 2009 per Statement of Activities	<u>\$ (79,517)</u>
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*The accompanying notes are an integral part of the basic financial statements*

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Statement of Fiduciary Net Assets  
June 30, 2009

	<u>Agency Funds</u>
ASSETS	
Cash and interest-bearing deposits	\$ 37,091,977
Investments	<u>3,919,403</u>
Total assets	<u>\$ 41,011,380</u>
LIABILITIES	
Due to litigants and others	<u>\$ 41,011,380</u>

*The accompanying notes are an integral part of the basic financial statements.*

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Plaquemines Parish Clerk of Court (Clerk of Court) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsection of this note.

Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:513 and to the industry audit guide, *Audits of State and Local Governments*.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, a Clerk of Court serves as the ex-officio notary public, the recorder of conveyances, mortgages and other acts, and shall have other duties and powers provided by law. A Clerk of Court is elected for a term of four years.

These financial statements only include funds and activities that are controlled by the Clerk of Court as an independently elected parish official. The Clerk of Court is a component unit of the Plaquemines Parish Government. The Clerk of Court is fiscally dependent on the Plaquemines Parish Government since the Clerk of Court's offices are located in the Parish Courthouse, the upkeep and maintenance of the courthouse is paid by the Parish Government and certain operating expenditures of the Clerk of Court's office are paid by the Parish Government.

As an independently elected official, the Clerk of Court is solely responsible for the operations of her office, which includes the hiring or retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Certain units of local government over which the Clerk of Court exercises no oversight responsibility, such as the parish school board, other independently elected officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the Clerk of Court.

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Notes to Financial Statements (Continued)

B. Basis of Presentation

Government-Wide Financial Statements

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity, which are considered to be governmental activities. Fiduciary funds are not included in the government-wide financial statements. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Clerk of Court's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The accounts of the Clerk of Court are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The various funds of the Clerk of Court are classified into two categories: governmental and fiduciary. The emphasis on fund financial statements is on major governmental funds. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures of individual funds are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental funds are at least 5 percent of the corresponding total for all governmental funds combined.



PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Notes to Financial Statements (Continued)

The major fund of the Clerk of Court is described below:

Governmental Fund -

General Fund

The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the Clerk of Court and is used to account for the operations of the Clerk of Court's office. The various fees and charges due to the Clerk of Court's office are accounted for in this fund. General operating expenditures are paid from this fund.

Additionally, the Clerk of Court reports the following fund type:

Fiduciary Funds -

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of other funds within the Clerk of Court. The funds accounted for in this category by the Clerk of Court are the agency funds. The agency funds are as follows:

Advance Deposit Fund – accounts for advance deposits on suits filed by litigants.

Registry of the Court Fund – accounts for funds which have been ordered by the court to be held until judgment has been rendered in court litigation.

Election Qualifying Fund – accounts for funds collected from individuals qualifying to run for political office and remitted to the appropriate governmental bodies or political committees.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Notes to Financial Statements (Continued)

- a. The governmental fund utilizes a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.
- b. The government-wide financial statement utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net assets.

Basis of Accounting

In the government-wide statement of net assets and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

D. Assets, Liabilities and Equity

Cash and interest-bearing deposits

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Clerk of Court.

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

*Notes to Financial Statements (Continued)*

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Clerk of Court maintains a threshold level of \$1,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Furniture, fixtures and equipment	5-10 years
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Compensated Absences

Employees of the Clerk of Court's office earn 10 days of vacation leave each year. In addition, employees earn 12 days of personal leave each year. Employees are allowed to carry over a maximum of five (5) days unused vacation per year. Upon resignation or retirement, employees may, at the discretion of the Clerk of Court, be paid for unused vacation leave at the employee's current rate of pay. Employees are not paid for unused sick leave upon termination or retirement.

Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Notes to Financial Statements (Continued)

- b. Restricted net assets – consists of net assets with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – all other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

E. Expenditures, and Expenses

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function. In the fund financial statements, expenditures are classified by character and function.

F. Budgetary and Budgetary Accounting

The Clerk of Court follows these procedures in establishing the budgetary data reflected in the financial statements:

- 1. A proposed budget is prepared and submitted to the Clerk of Court for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
- 2. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
- 3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
- 4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
- 5. All budgetary appropriations lapse at the end of each fiscal year.

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Notes to Financial Statements (Continued)

6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Clerk of Court.

G. Bad Debts

Uncollectible amounts due for receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available indicating the uncollectibility of the receivable.

H. Use of Restricted Funds

When both restricted and unrestricted resources are available, the policy of the Clerk of Court is to use unrestricted resources first, then unrestricted resources as they are needed.

(2) Cash and Interest-Bearing Deposits

Under state law, the Clerk of Court may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Clerk of Court may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2009, the Clerk of Court has cash and cash equivalents (book balances) totaling \$39,013,530 as follows:

	<u>Governmental Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash and interest-bearing deposits	<u>\$ 1,921,553</u>	<u>\$ 37,091,977</u>	<u>\$ 39,013,530</u>

Under state law, deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the Clerk of Court or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties.

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Notes to Financial Statements (Continued)

Deposit balances (bank balances) at June 30, 2009, are secured as follows:

Bank balances	<u>\$ 39,153,149</u>
Federal insurance	\$ 750,000
Pledged securities	<u>38,403,149</u>
Total federal insurance and pledged securities	<u>\$ 39,153,149</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Clerk of Court's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2009, the Clerk of Court's total bank balances were fully insured and collateralized with securities held in the name of the Clerk of Court by the pledging financial institution's agent and therefore not exposed to custodial credit risk.

(3) Investments

The Clerk can invest in direct debt securities of the United States unless such an investment is expressly prohibited by law. At June 30, 2009 the Clerk's Registry of Court Fund (an Agency Fund) holds investments totaling \$3,916,112:

<u>Description</u>	<u>Maturities</u>	<u>Interest Rate</u>	<u>Carringing Amount</u>	<u>Market Value</u>
U.S. Treasury Bill	7/16/2009	0.20%	\$ 3,526,483	\$ 3,529,824
U.S. Treasury Bill	9/3/2009	0.33%	99,974	99,975
U.S. Treasury Bill	10/29/2009	0.25%	289,655	289,817
			<u>\$ 3,916,112</u>	<u>\$ 3,919,616</u>

Custodial credit risk for investments is the risk that in the event of the failure of the counterparty, the Clerk of Court may not be able to recover the value of its investments or will not be able to recover collateral that is in the possession of an outside party. As of June 30, 2009, the Clerk of Court's investments were fully insured and registered in the name of the Clerk of Court by the counterparty and therefore not exposed to custodial credit risk.

The Clerk of Court manages its exposure to interest rate risk by limiting the maturity of its investments in U. S. Treasury Bills to six months or less.

The Clerk of Court places no limit on the amount that may be invested in any one issuer and is subject to concentration of credit risk. One hundred percent (100%) of the Clerk of Court's investments are in obligations of the United States.

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Notes to Financial Statements (Continued)

(4) Capital Assets

Capital asset balances and activity for the year ended June 30, 2009 is as follows:

	Balance 7/1/2008	Additions	Deletions	Balance 6/30/2009
Furniture, fixtures, and equipment	\$ 211,859	\$ -	\$ -	\$ 211,859
Less: Accumulated depreciation	<u>(127,008)</u>	<u>(25,919)</u>	<u>-</u>	<u>(152,927)</u>
Net Capital Assets	<u>\$ 84,851</u>	<u>\$ (25,919)</u>	<u>\$ -</u>	<u>\$ 58,932</u>

Depreciation expense of \$25,919 was charged to the general government function.

(5) Receivables and Due From Other Governmental Entities

Receivables and amounts due from other governmental entities at June 30, 2009 consist of the following:

	<u>Receivables</u>	<u>Due from Other Governments</u>
Governmental activities:		
Accounts, net of allowance of \$1,853	\$ 1,824	\$ -
State of Louisiana:		
Support enforcement services	-	16,668
Clerk supplemental compensation fund	1,650	-
Plaquemines Parish Sheriff	<u>-</u>	<u>12,823</u>
	<u>\$ 3,474</u>	<u>\$ 29,491</u>

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Notes to Financial Statements (Continued)

(6) Pension Plan

Plan Description. Substantially all employees of the Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief Fund (System), a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All regular employees who are under the age of 60 at the time of original employment are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of credited service, not to exceed 100% of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established and amended by state statute.

The Clerk of Court Retirement and Relief Fund issues an annual publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Clerk of Court Retirement and Relief Fund, 11745 Bricksome Ave., Suite B-1, Baton Rouge, Louisiana 70816.

Funding Policy. Plan members are required by state statute to contribute 8.25% of their annual covered salary and the Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 11.75% of annual covered payroll. However, the Clerk of Court began paying both the employee and the employer portion of the pension plan for the fiscal year ended June 30, 2009. Contributions to the System also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the Clerk of Court are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Clerk of Court's contributions to the System for the years ending June 30, 2009, 2008, and 2007 were \$107,695, \$67,095, and \$79,412, respectively, equal to the required contributions for each year.

(7) Post-Retirement Health Care and Life Insurance Benefits

The Clerk of Court provides certain continuing health care and life insurance benefits for retired employees. Substantially all of the Clerk's employees become eligible for these benefits if they reach normal retirement age while working for the Clerk of Court. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employees and the Clerk of Court. The Clerk of Court recognizes the cost of providing these benefits (the Clerk's portion of premiums) as an expenditure when the monthly premiums are due.

The cost benefits for 4 retirees for the year ended June 30, 2009 was \$15,994.



PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Notes to Financial Statements (Continued)

(8) Changes in Agency Fund Balances

A summary of changes in agency fund unsettled deposits follows:

	Year Ended June 30, 2009			Unsettled Deposits at End of Year
	Unsettled Deposits at Beginning of Year	Additions	Reductions	
Agency funds:				
Advance Deposit	\$ 1,479,207	\$ 680,432	\$ 642,803	\$ 1,516,836
Registry of Court	37,655,252	6,284,884	4,445,503	\$ 39,494,633
Election Qualifying	1	4,716	4,716	\$ 1
Totals	<u>\$ 39,134,460</u>	<u>\$ 6,970,032</u>	<u>\$ 5,093,022</u>	<u>\$ 41,011,470</u>

(9) Changes in Noncurrent Liabilities

The following is a summary of noncurrent liability transactions of the Clerk of Court for the year ended June 30, 2009:

Compensated absensed payable, July 1, 2008	\$ 15,809
Additions	<u>3,056</u>
Compensated absences payable, June 30, 2009	<u>\$ 18,865</u>

In prior years, compensated absences have typically been liquidated by the Clerk of Court's General Fund.

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Notes to Financial Statements (Continued)

(10) Deferred Compensation Plan

The Clerk of Court offers its employees participation in the Louisiana Public Employees Deferred Compensation Plan adopted by the Louisiana Deferred Compensation Commission and established in accordance with Internal Revenue Code Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

The Clerk of Court's contributions to the Plan for the year ended June 30, 2009 was \$82,188.

(11) Risk Management

The Clerk of Court is exposed to risks of loss in the areas of auto liability, professional liability and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

(12) Expenditures of the Clerk of Court Paid by the Plaquemines Parish Government

The Clerk of Court's office is located in the Plaquemines Parish Annex building. The Plaquemines Parish Government pays the upkeep and maintenance of the building. In addition, the Parish Government also pays some of the Clerk's operating expenditures. These expenditures are not reflected in the accompanying financial statements.

(13) Excess Fund Balance

R.S. 13:785 requires that every four years (at the close of the term of office), the Clerk of Court must pay the parish treasurer the portion of the General Fund's fund balance that exceeds one-half of the revenues of the Clerk's last year of her term of office. The potential liability to the parish is limited to amounts received by the Clerk of Court from the parish for necessary office furniture, equipment, and record books. At June 30, 2009, there was no amount due the parish treasurer since no amounts were received by the Clerk of Court from the parish during the previous term of office.

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Notes to Financial Statements (Continued)

(14) New Accounting Pronouncements

In November 2004, the Governmental Accounting Standards Board (GASB) issued Statement 45 "*Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.*" This statement requires the accrual of postemployment benefits for retired employees. The Clerk of Court is required to implement this standard for the fiscal year ending June 30, 2010. The Clerk of Court has not yet determined the full impact that adoption of GASB Statement 45 will have on the financial statements.

## **REQUIRED SUPPLEMENTARY INFORMATION**

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2009

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Licenses and permits	\$ 23,000	\$ 18,000	\$ 17,116	\$ (884)
Fees, charges and commissions for services	1,202,500	934,450	987,089	52,639
Intergovernmental	14,000	25,627	20,012	(5,615)
Miscellaneous	53,500	29,491	57,554	28,063
Total revenues	<u>1,293,000</u>	<u>1,007,568</u>	<u>1,081,771</u>	<u>74,203</u>
<b>Expenditures:</b>				
Current -				
General government:				
Personnel services and related benefits	907,691	838,693	843,152	(4,459)
Operating services	199,950	198,300	177,265	21,035
Material and supplies	123,450	116,450	114,952	1,498
Capital outlay	5,000	-	-	-
Total expenditures	<u>1,236,091</u>	<u>1,153,443</u>	<u>1,135,369</u>	<u>18,074</u>
Net change in fund balance	56,909	(145,875)	(53,598)	92,277
Fund balance, beginning	<u>1,888,582</u>	<u>1,756,246</u>	<u>1,983,233</u>	<u>226,987</u>
Fund balance, ending	<u>\$1,945,491</u>	<u>\$1,610,371</u>	<u>\$1,929,635</u>	<u>\$ 319,264</u>

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Note to Budgetary Comparison Schedule

(1) Basis of Accounting

The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Clerk.

## **OTHER SUPPLEMENTARY INFORMATION**

## **OTHER FINANCIAL INFORMATION**



## **MAJOR GOVERNMENTAL FUND**

### **General Fund**

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

General Fund  
Schedule of Revenues Compared to Budget  
For the Year Ended June 30, 2009

	Budget		Actual	Variance - Positive (Negative)
	Original	Final		
Licenses and permits:				
Marriage licenses	\$ 3,000	\$ 3,000	\$ 3,150	\$ 150
Birth/death certificates	20,000	15,000	13,966	(1,034)
Total licenses and permits	23,000	18,000	17,116	(884)
Fees, charges and commissions for services:				
Court costs, fees and charges -				
Criminal costs	35,000	31,500	31,940	440
Other	18,000	11,600	11,976	376
Total court costs, fees and charges	53,000	43,100	43,916	816
Fees for recording legal documents -				
Recordings	535,000	352,500	369,733	17,233
Cancellations	11,500	8,850	8,766	(84)
Mortgage certificates	24,000	15,000	13,920	(1,080)
Suits and successions	425,000	413,000	445,288	32,288
UCC filing	21,000	13,000	13,065	65
Total fees for recording legal documents	1,016,500	802,350	850,772	48,422
Fees for certified copies -	133,000	89,000	92,401	3,401
Totals Fees, charges and commissions	1,202,500	934,450	987,089	52,639

(continued)

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

General Fund  
Schedule of Revenues Compared to Budget (Continued)  
For the Year Ended June 30, 2009

	Budget		Actual	Variance - Positive (Negative)
	Original	Final		
Intergovernmental:				
Federal grant - department of justice	4,000	10,627	4,952	(5,675)
State grant - non-support	10,000	15,000	15,060	60
Total intergovernmental	14,000	25,627	20,012	(5,615)
Miscellaneous:				
Interest earned	19,000	3,500	29,352	25,852
Elections	2,500	1,241	1,154	(87)
Refunds	-	-	2,226	2,226
Other	32,000	24,750	24,822	72
Total miscellaneous	53,500	29,491	57,554	28,063
Total revenues	<u>\$ 1,293,000</u>	<u>\$ 1,007,568</u>	<u>\$ 1,081,771</u>	<u>\$ 74,203</u>

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

General Fund  
Schedule of Expenditures Compared to Budget  
For the Year Ended June 30, 2009

	<u>Budget</u>		<u>Actual</u>	<u>Variance - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current -				
Personnel services and related benefits -				
Salaries:				
Clerk	\$ 126,000	\$ 125,356	\$ 125,356	\$ -
Deputy clerks	436,600	413,582	413,582	-
Other	15,000	15,000	17,305	(2,305)
Clerk's supplemental fund	14,500	13,000	13,065	(65)
Hospitalization insurance	114,000	75,000	71,791	3,209
Unemployment	500	-	-	-
Payroll taxes, retirement and compensated absences	<u>201,091</u>	<u>196,755</u>	<u>202,053</u>	<u>(5,298)</u>
Total personnel services and related benefits	<u>907,691</u>	<u>838,693</u>	<u>843,152</u>	<u>(4,459)</u>
Operating services -				
Insurance	15,000	20,000	18,974	1,026
Professional fees	21,000	26,000	23,692	2,308
UCC filing	3,000	3,000	3,150	(150)
Cott index	100,000	100,000	75,843	24,157
Telephone	950	1,200	1,199	1
Travel and conventions	10,000	6,500	6,574	(74)
Election expense allowance	4,500	1,800	1,800	-
Copier expense	15,000	14,000	12,758	1,242
Microfilm	12,000	12,000	20,075	(8,075)
Birth Certificates	13,500	10,500	10,342	158
Marriage Licenses	1,500	1,500	1,508	(8)
State non-support	2,500	-	-	-
Training	<u>1,000</u>	<u>1,800</u>	<u>1,350</u>	<u>450</u>
Total operating services	<u>199,950</u>	<u>198,300</u>	<u>177,265</u>	<u>21,035</u>

(continued)

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

General Fund  
Schedule of Expenditures Compared to Budget (Continued)  
For the Year Ended June 30, 2009

	Budget		Actual	Variance - Positive (Negative)
	Original	Final		
Materials and supplies -				
Office supplies and operations	95,050	105,050	101,597	3,453
Automobile and maintenance	4,900	4,200	2,394	1,806
Dues and subscription	3,000	3,000	3,425	(425)
Contract Labor	500	700	580	120
Uniforms	20,000	3,500	6,956	(3,456)
Total materials and supplies	<u>123,450</u>	<u>116,450</u>	<u>114,952</u>	<u>1,498</u>
Capital outlay -				
Computer	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total capital outlay	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 1,236,091</u>	<u>\$ 1,153,443</u>	<u>\$ 1,135,369</u>	<u>\$ 18,074</u>

## **FIDUCIARY FUNDS**

### **Advance Deposit Fund -**

The Advance Deposit Fund, as provided by Louisiana Revised Statute 13:842, is used to account for advance deposits on suits filed by litigants. The advances are refundable to the litigants after all costs have

### **Registry of Court Fund -**

The Registry of Court Fund, as provided by Louisiana Revised Statute 13:475, is used to account for funds which have been ordered by the court to be held until judgment has been rendered in court litigation. Withdrawals of the funds can be made only upon order of the court.

### **Election Qualifying Fund -**

The Election Qualifying Fund is used to account for funds collected from individuals qualifying to run for political office and remitted to the appropriate governmental bodies or political committees.

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Agency Funds  
Combining Schedule of Assets and Liabilities  
June 30, 2009

	<u>Advance Deposit</u>	<u>Registry of Court</u>	<u>Election Qualifying</u>	<u>Total</u>
<b>ASSETS</b>				
Cash and interest-bearing deposits	\$ 1,516,746	\$ 35,575,230	\$ 1	\$ 37,091,977
Investments	<u>-</u>	<u>3,919,403</u>	<u>-</u>	<u>3,919,403</u>
Total assets	<u>\$ 1,516,746</u>	<u>\$ 39,494,633</u>	<u>\$ 1</u>	<u>\$ 41,011,380</u>
<b>LIABILITIES</b>				
Due to litigants and others	<u>1,516,746</u>	<u>39,494,633</u>	<u>1</u>	<u>41,011,380</u>
Total liabilities	<u>\$ 1,516,746</u>	<u>\$ 39,494,633</u>	<u>\$ 1</u>	<u>\$ 41,011,380</u>

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Agency Funds  
Combining Schedule of Changes in Assets and Liabilities  
For the Year Ended June 30, 2009

	<u>Advance Deposit</u>	<u>Registry of Court</u>	<u>Election Qualifying</u>	<u>Total</u>
<b>ASSETS</b>				
Balances, beginning of year	\$ 1,479,207	\$ 37,655,252	\$ 1	\$ 39,134,460
Additions:				
Suits and successions	680,342	-	-	680,342
Judgments	-	5,942,871	-	5,942,871
Interest earned	-	342,013	-	342,013
Qualifying fees	-	-	4,716	4,716
Total additions	<u>680,342</u>	<u>6,284,884</u>	<u>4,716</u>	<u>6,969,942</u>
Total	<u>2,159,549</u>	<u>43,940,136</u>	<u>4,717</u>	<u>46,104,402</u>
Reductions:				
Clerk's costs (transferred to General Fund)	434,011	-	335	434,346
Refunds to litigants	-	4,445,503	-	4,445,503
Parish Council	18,191	-	-	18,191
Sheriff fees	49,514	-	-	49,514
Judges supplemental	17,932	-	-	17,932
Other	123,155	-	4,381	127,536
Total reductions	<u>642,803</u>	<u>4,445,503</u>	<u>4,716</u>	<u>5,093,022</u>
Balances, end of year	<u>\$ 1,516,746</u>	<u>\$ 39,494,633</u>	<u>\$ 1</u>	<u>\$ 41,011,380</u>
<b>LIABILITIES</b>				
Due to litigants and others, beginning of year	\$ 1,479,207	\$ 37,655,252	\$ 1	\$ 39,134,460
Additions	680,342	6,284,884	4,716	6,969,942
Reductions	<u>642,803</u>	<u>4,445,503</u>	<u>4,716</u>	<u>5,093,022</u>
Due to litigants and others, end of year	<u>\$ 1,516,746</u>	<u>\$ 39,494,633</u>	<u>\$ 1</u>	<u>\$ 41,011,380</u>



**INTERNAL CONTROL, COMPLIANCE, AND OTHER INFORMATION**

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## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Dorothy M. Lundin  
Plaquemines Parish Clerk of Court  
Belle Chasse, Louisiana

We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Plaquemines Parish Clerk of Court (hereinafter "Clerk of Court"), a component unit of the Plaquemines Parish Government, as of and for the year ended June 30, 2009, which collectively comprise the Clerk of Court's basic financial statements and have issued our report thereon dated November 13, 2009. In our report, our opinions were qualified because the Clerk of Court has not reconciled certain individual suit docket balances in the Advance Deposit Agency Fund with the related cash deposits at June 30, 2009. Except as discussed in the previous sentence, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control over Financial Reporting

In planning and performing our audit, we considered the Clerk of Court's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Clerk of Court's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Clerk of Court's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Clerk of Court's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Clerk of Court's financial statements that is more than inconsequential will not be prevented or detected by the Clerk of Court's internal control. We consider the deficiencies identified as items 2009-1, 2009-2, and 2009-3 and described in the accompanying schedule of audit results and findings to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Clerk of Court's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider items 2009-1 and 2009-2 to be material weaknesses.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clerk of Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Clerk of Court's response to the findings identified in our audit is described in the accompanying corrective action plan for current year findings. We did not audit the Clerk of Court's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document in accordance with Louisiana Revised Statute 44:6.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
November 13, 2009

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Schedule of Audit Results and Findings  
For the Year Ended June 30, 2009

Part I. Summary of Auditor's Results:

A qualified opinion was issued on the financial statements because the Clerk of Court has not reconciled certain individual suit docket balances in the Advance Deposit Agency Fund with the related cash deposits.

Significant deficiencies in internal control were disclosed by the audit of the financial statements and some of the conditions are considered material weaknesses.

The audit did not disclose any instances of noncompliance which are material to the financial statements.

A management letter was not issued.

Part II. Findings required to be reported in accordance with *Governmental Auditing Standards*:

2009-1 Segregation of duties

CONDITION: Accounting and financial functions are not adequately segregated.

CRITERIA: SAS109, *Understanding the Entity and its Environment and Assessing the Risks of Material Misstatement*, AU §314.43 defines internal control as follows:

*“Internal control is a process – effected by those charged with governance, management, and other personnel– designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.”*

Additionally, Statements on Standards for Attestation Engagements (SSAE) AT §501.03 states:

*“An entity’s internal control over financial reporting includes those policies and procedures that pertain to an entity’s ability to record, process, summarize, and report financial data consistent with the assertions embodied in either annual financial statements or interim financial statements, or both.”*

CAUSE: The cause of the conditions is the failure to design and implement policies and procedures necessary to achieve adequate internal control.

EFFECT: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

RECOMMENDATION: Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Schedule of Audit Results and Findings (continued)  
For the Year Ended June 30, 2009

2009-2      Reconciliation of docket balances

CONDITION: Certain individual suit docket balances in the Advance Deposit Agency Fund have not been reconciled with the related cash deposits.

CRITERIA: SAS109, *Understanding the Entity and its Environment and Assessing the Risks of Material Misstatement*, AU §314.43 defines internal control as follows:

*“Internal control is a process – effected by those charged with governance, management, and other personnel– designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.”*

Additionally, Statements on Standards for Attestation Engagements (SSAE) AT §501.03 states:

*“An entity’s internal control over financial reporting includes those policies and procedures that pertain to an entity’s ability to record, process, summarize, and report financial data consistent with the assertions embodied in either annual financial statements or interim financial statements, or both.”*

CAUSE: The cause of the condition is the failure to reconcile individual suit docket balances to the related cash deposits.

EFFECT: Failure to reconcile docket balances with the related cash deposits increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

RECOMMENDATION: We recommend that the Clerk of Court attempt to reconcile the individual suit dockets with the related cash balances.

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Schedule of Audit Results and Findings (continued)  
For the Year Ended June 30, 2009

2009-3      Application of GAAP (generally accepted accounting principles)

CONDITION: Management and staff lack the training and expertise in the selection and application of GAAP in the financial statement preparation process.

CRITERIA: SAS112, *Communicating Internal Control Related Matters Identified in an Audit*, AU §325.18, states in pertinent part:

“Deficiencies in the following areas ordinarily are at least significant deficiencies in internal control:

- Controls over the selection and application of accounting principles that are in conformity with generally accepted accounting principles. Having sufficient expertise in selecting and applying accounting principles is an aspect of such controls.”

Furthermore, AU §325.32 identifies the following as a deficiency in the design of (internal) controls:

“Employees or management who lack the qualifications and training to fulfill their assigned functions. For example, in an entity that prepares financial statements in accordance with generally accepted accounting principles, the person responsible for the accounting and reporting function lacks the skills and knowledge to apply generally accepted accounting principles in recording the entity’s financial transactions or preparing its financial statements.”

CAUSE: The cause of the conditions is the result of a failure to design and implement policies and procedures necessary to achieve adequate internal control.

EFFECT: Financial statements and related supporting transactions may reflect a material departure from generally accepted accounting principles.

RECOMMENDATION: The additional costs required to achieve the desired benefit may not be economically feasible.

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Schedule of Audit Results and Findings (continued)  
For the Year Ended June 30, 2009

Part III. Findings and questioned costs for federal awards reported in accordance with Office of Management and Budget Circular A-133:

The requirements of OMB Circular A-133 do not apply to the Clerk of Court.

PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2009

A. Internal Control-

2008-1 – Segregation of Duties

CONDITION: Accounting and financial functions are not adequately segregated.

RECOMMENDATION: Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

CURRENT STATUS: N/A

2008-2 – Reconciliation of docket balances

CONDITION: Certain individual suit docket balances in the Advance Deposit Agency Fund has not been reconciled with the related cash deposits.

RECOMMENDATION: We recommend that the Clerk of Court attempt to reconcile the individual suit dockets with the related cash balances.

CURRENT STATUS: See corrective action plan for current year findings.

2008-3 – Application of GAAP

CONDITION: Management and staff lack the training and expertise in the selection and application of GAAP in the financial statement preparation process.

RECOMMENDATION: The additional costs required to achieve the desired benefit may not be economically feasible.

CURRENT STATUS: See corrective action plan for current year findings.

B. Compliance-

There were no findings previously reported under this section.

C. OMB A-133-

This section was not applicable.



PLAQUEMINES PARISH CLERK OF COURT  
Belle Chasse, Louisiana

Corrective Action Plan for Current Year Findings  
For the Year Ended June 30, 2009

2009-1- Segregation of Duties

CONDITION: Accounting and financial functions are not adequately segregated.

MANAGEMENT'S RESPONSE: N/A

2009-2- Reconciliation of Docket Balances

CONDITION: Certain individual suit docket balances in the Advance Deposit Agency Fund has not been reconciled with the related cash deposits.

MANAGEMENT'S RESPONSE: The Clerk of Court is in the process of identifying unknown balances and reconciling such balances to the corresponding suit dockets in the Advance Deposit Fund. These procedures have identified a portion of the unknown balances. The Clerk of Court will seek the opinion of legal counsel regarding balances which may not be identifiable.

2009-3- Application of GAAP (Generally Accepted Accounting Principles)

CONDITION: Management and staff lack the training and expertise in the selection and application of GAAP in the financial statement preparation process.

MANAGEMENT'S RESPONSE: The Clerk of Court has evaluated the cost/benefit of establishing controls over the preparation of financial statement in accordance with GAAP and has determined that it is in the best interest of the Clerk of Court to outsource this task to its independent auditors and will review, approve, and accept responsibility for the content and presentation of the financial statements and related notes prior to issuance.